



Saskatchewan
Ministry of
Agriculture

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending May 10, 2013

All prices are quoted in Canadian dollars per hundredweight (\$/cwt) unless otherwise stated.

Feeder Cattle

Steers

	Range	Average	Change from last week
300-400	-	-	-
400-500	140-161	147.20	+1.70
500-600	139-158	148.94	+3.23
600-700	130-150	139.80	+0.99
700-800	120-138	129.40	-1.35
800-900	115-124	119.00	-2.29
900+	109-117	115.31	+2.71

Heifers

	Range	Average	Change from last week
300-400	120-136	127.75	+3.62
400-500	125-145	132.88	+2.59
500-600	120-139	128.88	+1.49
600-700	115-132	122.13	-1.54
700-800	109-123	115.10	-2.65
800+	103-111	108.08	-2.42

Source: Canfax.

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week.

Canfax reported that 9,476 head of cattle were sold in Saskatchewan this week, down from 15,303 head marketed during the previous week.

Feeder cattle prices were mixed over the week. Average prices for feeder steers weighing less than 700 lb. were \$0.99 to \$3.23 per cwt higher, while steers between the 700 lb. and 900 lb. ranged were \$1.35 to \$2.29 per cwt lower. The warmer weather in Western Canada has finally arrived and is likely providing some support and demand to lightweight feeder cattle prices.

Prices for lightweight heifer feeders below 600lb. increased from \$1.49 to \$3.62 per cwt, while prices for heifer feeders weighing more than 600 lb. were \$1.54 to \$2.65 per cwt lower compared to the previous week. The firm barley prices and continued tight feed supplies in Western Canada have contributed to continued fluctuations in feeder cattle prices.

The Saskatchewan 750 lb. feeder steer basis compared to the May 9, 2013 U.S. feeder cattle index at US\$134.35 per cwt was calculated at -\$6.46 per cwt (US\$134.35/0.9889 - \$129.40), a basis widening of \$0.48 per cwt from -\$5.98 per cwt the previous week.

Fed and Non-fed Cattle

	May 10	May 3	Change
Cows (Alberta)			
D1,2 Live	78.86	77.44	+1.42
D3 Live	69.94	69.00	+0.94
Rail	151.00-156.00	149.00-154.00	+2.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were higher from the previous week with D1,2 slaughter cows increasing \$1.42 per cwt to average \$78.86 per cwt, while D3 slaughter cows increased \$0.94 per cwt to average \$69.94 per cwt. The number of slaughter cows in Western Canada is higher compared to week ago and year ago numbers. Tighter feed supplies and late spring pasture growth has likely forced producers to rationalize their herd size.

Fed cattle prices in Western Canada were slightly lower with the price of fed steers in Alberta reported at \$119.41 per cwt, down \$0.22 per cwt from \$119.63 per cwt the previous week.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US\$126.24 per cwt, down US\$2.78 per cwt from US\$129.02 per cwt the previous week. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US\$202.38 per cwt, a decrease of US\$4.18 per cwt from US\$206.56 per cwt the previous week.

The weekly average Choice beef cutout values (Choice 600-900 lb.) for the week ending May 10 US\$203.32 per cwt, up 2.4 per cent from US\$198.59 per cwt. the previous week. The weekly average Choice cutout value hit new all-time highs and was above the psychologically important US\$200 per cwt threshold. This could be positive for beef demand and beef prices going into the summer.

U.S. beef production for the week ending May 11 was estimated at 493.0 million lb., up 0.9 per cent from 488.7 million lb. during the previous week, but down 1.0 per cent from 497.7 million lb. a year ago. U.S. weekly cattle slaughter numbers for the week totaled 631,000 head, up 1.1 per cent from 624,000 head the previous week, but down 1.6 per cent from 642,000 head the same week a year ago.

Foreign Agricultural Service (FAS) of the United States Department of Agriculture (USDA) released their May 2013 world crop production estimates this week. Global corn production is estimated to increase by 109 million tons in 2013/14 (13 per cent) from increased corn crops in the United States, Argentina, China, and Ukraine. The United States corn crop is forecasted at 14.14 billion bushels, up from 10.78 billion bushels produced in 2012/13. The season-average farm price was cut to US\$4.70 per bushel based on prospects of a record corn crop in the U.S. <http://www.fas.usda.gov/psdonline/circulars/grain.pdf>

Weekly corn cash and futures prices moved lower over the week. The May to December corn futures were down US\$0.12 per bu. to US\$0.25 per bu., week-over-week.

Feeder cattle futures moved lower with the nearby May contract slipping US\$3.40 per cwt, week-over-week. May to October feeder future contracts decreased US\$0.50 per cwt to US\$3.400 per cwt, week-over-week. Live cattle futures were lower over the week with the June to October contracts decreasing US\$1.200 per cwt to US\$1.375 per cwt, week-over-week.

Friday Price Information

Product	This Week (May 10)	Week of: (May 3)
Canadian Dollar (closing rate US\$)	.9889	.9923
United States Dollar Index	83.153	82.105
U.S. Cash Cattle		
Thurs. Feeder Cattle (FC) Index (US\$ per cwt)	134.35	135.67
Seven-day Weighted Average FC Index Wt. (lb.)	775	772
Live Fed 5-area Steer Price (US\$ per cwt)	126.24	129.02
Feed Grains		
Barley	Lethbridge (\$/tonne)	293.00
	(\$ per bu.)	6.38
Corn	Iowa State Average (CDN\$/tonne)*	277.71
	(US\$ per bu.)	7.00
	Omaha, NE (CDN\$/tonne)*	284.46
	(US\$ per bu.)	7.17
Futures		
	May Corn (US\$ per bu.)	6.87½
	July Corn (US\$ per bu.)	6.61¼
	June Live Cattle (US\$ per cwt)	121.825
	August Live Cattle (US\$ per cwt)	121.975
	May Feeder Cattle (US\$ per cwt)	138.775
	October Feeder Cattle (US\$ per cwt)	151.250

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News

* conversion to CDN\$ is based on Friday's CDN\$ closing rate

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